(b) if so, the details thereof;

(c) whether Government propose to restructure the Central assistance in the form of grants to the State plan of Kerala enabling to implement from the current year and write off the dues to the Central Government arising out of repayment of Central assistance received in the past; and

(d) if so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM): (a) No, Sir.

(b) Does not arise.

(c) and (d) No such proposal is under consideration in the Ministry of Finance.

Deloitee Report on LIC restructuring

1342. SHRI K. B. KRISHNA MURTHY: Will the Minister of FINANCE be pleased to state:

(a) whether Deloitee Committee in its report on LIC restructuring has suggested regular provision for additional capital on solvency margin account because of LIC not having the required 15 percent of solvency margin;

(b) whether LIC does not have the concept of providing additional capital for solvency support;

(c) whether LIC has sought a bail out of Rs. 3,000 crores as solvency support from Government; and

(d) if so, Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM): (a) No, Sir.

(b) Prior to enactment of the IRDA Act, 1999, there was no provision for solvency margin for life insurance companies. Along with the enactment of IRDA Act, an amendment was brought in Section 64VA of Insurance Act, 1938, whereby Required Solvency Margin (RSM) for life insurance companies was added through Sub-section 64VA(1A). Thereafter, LIC has started making provisions for solvency margin requirement and

requested IRDA to give a five-year period for meeting the necessary Required Solvency Margin. IRDA has allowed a period of three years. LIC has been meeting the Solvency Margin by allocation from the Actuarial Surplus in addition to the share capital general reserve, re-valuation reserve and fair value change account. As on 31st March, 2002 and 31st March, 2003 the Available Solvency Margin of LIC were Rs. 9,025.03 crore and Rs. 12,390.17 crore respectively.

(c) No, Sir.

(d) Does not arise.

Fake currency rackets

1343. SHRI RAJKUMAR DHOOT: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a number of fake currency rackets have been unearthed during the last one year;

(b) if so, the details thereof;

(c) the value of fake currency notes confiscated and destroyed during the last one year; and

(d) the steps being taken to stop circulation of fake currency notes?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S. S. PALANIMANICKAM): (a) to (c) As per information furnished by the National Crime Records Bureau, fake currency cases unearthed by police in different States/Union Territories during 2003 are given in the statement. (*See* below).

(d) The Government has taken a number of steps to stop circulation of fake currency notes which include stepping up of vigilance by the Border Security Force/Customs Authorities; setting up of a special unit in the Central Bureau of Investigation exclusively for investigation of counterfeit currency notes; incorporation of special security features in high denomination notes; extensive awareness campaigns by RBI through electronic and print media to publicise the features of genuine currency notes; regular importing of training to Government officers on identification of fake notes; provision of suitable equipment in banks for detecting counterfeit notes etc.